

Introduced _____
Public Hearing _____
Council Action _____
Executive Action _____
Effective Date _____

County Council Of Howard County, Maryland

2005 Legislative Session

Legislative Day No. **5**

Bill No. 18 -2005

Introduced by Guy Guzzone, Chairman

AN ACT to provide a County tax credit supplement to the State homeowners property tax program; specifying the property to which the credit supplement applies; setting eligibility requirements for homeowners to participate; providing the formulae to calculate the tax credit; providing for the administration of the supplement; authorizing the adoption of regulations; requiring a certain report; prohibiting certain fraud; and generally relating to County property taxes.

Introduced and read first time _____, 2005. Ordered posted and hearing scheduled.

By order _____
Sheila M. Tolliver, Administrator

Having been posted and notice of time & place of hearing & title of Bill having been published according to Charter, the Bill was read for a second time at a public hearing on _____, 2005.

By order _____
Sheila M. Tolliver, Administrator

This Bill was read the third time on _____, 2005 and Passed ____, Passed with amendments _____, Failed _____.

By order _____
Sheila M. Tolliver, Administrator

Sealed with the County Seal and presented to the County Executive for approval this __ day of _____, 2005 at __ a.m./p.m.

By order _____
Sheila M. Tolliver, Administrator

Approved by the County Executive _____, 2005

James N. Robey, County Executive

NOTE: [[text in brackets]] indicates deletions from existing law; TEXT IN ALL CAPITALS indicates additions to existing law; Strike-out indicates material deleted by amendment; Underlining indicates material added by amendment

1 **Preamble**

2 The County Council of Howard County, Maryland, desires to provide property tax relief
3 to moderate and low-income homeowners in the County in accordance with the authority
4 given to the County by § 9-215 of the Tax-Property Article of the Maryland Code. The
5 additional credit provided by this Act is intended to reach more homeowners and provide
6 greater relief than provided by the State credit alone.

7
8 *Section 1. Be it enacted by the County Council of Howard County, Maryland, that new*
9 *Section 20-126 “Homeowners property tax credit”, be, and is hereby added to Part III*
10 *State-Authorized Howard County Tax Credits, of Subtitle 1 “Real Property Tax*
11 *Administration, Credits and Enforcement”, of Title 20 “Taxes, Charges, and Fees”, of*
12 *the Howard County Code, to read as follows:*

13
14 **Title 20. Taxes, charges, and fees.**

15
16 **Subtitle 1. Real Property Tax Administration, Credits and Enforcement**

17
18 **Part III. State-Authorized Howard County Tax Credits.**

19
20
21 **SECTION 20-126. HOMEOWNERS PROPERTY TAX CREDIT.**

22 (A) *DEFINITIONS.* THE FOLLOWING WORDS HAVE THE MEANINGS
23 INDICATED IN § 9-104 OF THE TAX-PROPERTY ARTICLE OF THE
24 MARYLAND CODE:

- 25 (1) “COMBINED INCOME” ;
26 (2) “DWELLING”; AND
27 (3) “HOMEOWNER”.

28 (B) *CREDIT ESTABLISHED.*

- 29 (1) THERE IS A LOCAL SUPPLEMENT TO THE HOMEOWNERS
30 PROPERTY TAX CREDIT PROGRAM ESTABLISHED BY § 9-104 OF
31 THE TAX-PROPERTY ARTICLE OF THE MARYLAND CODE AND

AUTHORIZED UNDER § 9-215 OF THE TAX-PROPERTY ARTICLE
OF THE MARYLAND CODE.

(2) THE PROPERTY TAX TO WHICH THIS SECTION APPLIES IS THE
PRODUCT OF THE SUM OF ALL PROPERTY TAX RATES ON
REAL PROPERTY FOR THE TAXABLE YEAR ON A DWELLING
MULTIPLIED BY THE LESSER OF THE ASSESSED VALUE OF THE
DWELLING OR \$150,000 AND THEN REDUCED BY ANY
PROPERTY TAX CREDIT GRANTED UNDER § 9-105 OF THE TAX-
PROPERTY ARTICLE OF THE MARYLAND CODE.

(C) *AMOUNT.*

(1) THE COUNTY SUPPLEMENTAL PROPERTY TAX CREDIT IS THE
TOTAL REAL PROPERTY TAX ON A DWELLING LESS:

(i) THE PERCENTAGE OF THE COMBINED INCOME OF THE
HOMEOWNER CALCULATED UNDER PARAGRAPH (2)
OF THIS SUBSECTION; AND

(ii) THE PROPERTY TAX CREDIT GRANTED UNDER § 9-104
OF THE TAX-PROPERTY ARTICLE OF THE MARYLAND
CODE.

(2) THE ALLOWABLE PERCENTAGE OF GROSS INCOME IS:

(i) 0.0% OF THE FIRST \$8,000;

~~(ii) 1.0% OF THE NEXT \$6,000;~~

~~(iii) 4.5% OF THE NEXT \$8,000;~~

~~(iv) 5.0% OF THE NEXT \$6,000;~~

- (v) ~~6.0% OF THE NEXT \$5,000;~~
- (vi) ~~7.0% OF THE NEXT \$7,000; AND~~
- (vii) ~~9.0% OF ANY COMBINED INCOME OVER \$40,000.~~
- (ii) 1.0% OF THE NEXT \$4,000;
- (iii) 4.5% OF THE NEXT \$4,000;
- (iv) 6.5% OF THE NEXT \$8,000;
- (v) 8.0% OF THE NEXT \$8,000;
- (vi) 8.5% OF THE NEXT \$8,000; AND
- (vii) 9.0% OF ANY COMBINED INCOME OVER \$40,000.

(3) THE PROPERTY TAX CREDIT UNDER THIS SECTION SHALL BE PROPORTIONATELY REDUCED FOR A HOMEOWNER WHO IS NOT REQUIRED TO PAY THE TAX FOR THE FULL TAX YEAR.

(D) *ADMINISTRATION.* THIS SECTION SHALL BE ADMINISTERED BY THE DIRECTOR OF FINANCE AND THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION AS PROVIDED IN §§ 9-104 AND 9-215 OF THE TAX PROPERTY ARTICLE OF THE MARYLAND CODE.

(E) *REGULATIONS.* THE COUNTY EXECUTIVE MAY ADOPT REGULATIONS TO CARRY OUT THIS SECTION.

~~(F) *REPORT.* EACH YEAR, THE DIRECTOR OF FINANCE SHALL SUBMIT A REPORT TO THE COUNTY COUNCIL THAT DESCRIBES PROGRAM PARTICIPATION IN THE CURRENT TAX YEAR AND INCLUDES THE INCOME OF TAXPAYERS AND THE NUMBER AND COST OF THE CREDITS ALLOWED.~~

78 ~~(G) FRAUD. A PERSON WHO KNOWINGLY PROVIDES FALSE OR~~

79 (F) PUBLICITY.

80 (1) THE DIRECTOR OF FINANCE SHALL DEVELOP AND CARRY

81 OUT A PLAN TO PUBLICIZE THE CREDIT AUTHORIZED BY THIS

82 SECTION.

83 (2) THE PLAN SHALL BE DESIGNED TO REACH THOSE TAXPAYERS

84 MOST LIKELY TO BE ELIGIBLE FOR THE CREDIT.

85 (G) REPORT. EACH YEAR, THE DIRECTOR OF FINANCE SHALL SUBMIT

86 A REPORT TO THE COUNTY COUNCIL THAT:

87 (1) DESCRIBES PROGRAM PARTICIPATION IN THE CURRENT TAX

88 YEAR AND INCLUDES THE INCOME OF TAXPAYERS AND THE

89 NUMBER AND COST OF THE CREDITS ALLOWED; AND

90 (2) INCLUDES A SUMMARY OF THE EFFORTS TAKEN TO

91 PUBLICIZE THE CREDIT.

92 (H) FRAUD. A PERSON WHO KNOWINGLY PROVIDES FALSE OR

93 FRAUDULENT INFORMATION ON A DOCUMENT REQUIRED UNDER

94 THIS SECTION IS GUILTY OF A MISDEMEANOR AND ON

95 CONVICTION IS SUBJECT TO IMPRISONMENT NOT EXCEEDING 5

96 MONTHS OR A FINE NOT EXCEEDING \$500.

97
98 *Section 2. And Be It Further Enacted by the County Council of Howard County,*
99 *Maryland, that this Act shall become effective 61 days after its enactment.*